

**BEST COPY**  
*Available*  
**THROUGHOUT**  
**FOLDER**

*j-Sue*  
June 16, 1975

Andrew Paretti, Head of Delegation  
Office of Water Program Operations WH-447

02.0220

Fitzhugh Green, Associate Administrator  
for International Activities A-106

John T. Phott, Deputy Assistant Administrator  
for Water Program Operations WH-446

James L. Agee, Assistant Administrator  
for Water and Hazardous Materials WH-066

Under the Environmental Agreement between the United States and the Soviet Union, a group of specialists were the guests of the Ministry of Ferrous Metallurgy of the Soviet Union from May 17 through May 31, 1975, to review and tour the waste water treatment facilities of the Soviet Iron and Steel Industry (Project II - 2.2 - Prevention of Water Pollution from Industrial Sources, Sub-project (6) - Iron and Steel).

Environmental interests and technological exchange between the two countries is very much alive as regards waste water. This observation is made at this time to counter suggestions that have been voiced recently as to the future of the agreement. Of the four industrial sub-projects, this one covering the Iron and Steel Industry is the only one where the Soviet Union will have hosted first. They showed the same initiative that we feel we exhibited when hosting sub-projects A and B first on Pulp and Paper and Chemical Technology industries respectively. They were open with their plant visitations and very responsive to our detailed questions at their Research and Design Institutes.

A detailed report is attached. It is the thinking of the three industry specialists and myself. We sat for a few hours on our last train ride from Khar'kov to Moscow and had a final meeting on the return flight home. One man was assigned to actually prepare the report subject to concurrence of the remainder of the delegation. I feel this the best method to arrive at a meaningful summary of the technical aspects.

It should be pointed out that the United States appears to be ahead in waste water treatment as regards the Iron and Steel industry. They only seem to concentrate on removing suspended materials and on this facet they are doing a fine job. In the chemical/biological treatment to date seems negligible. Though we were not involved with air pollution, it was obvious Khar'kov are not yet serious. The smoke emitting from the stacks of the Iron and Steel mills and in fact most industries we passed by in our travels is quite obvious. I would have to assume that their five year plans have not yet focused on this problem in a meaningful way.

It is also evident that they are interested in a continuing exchange with the iron and steel industry based on Appendix I which is also an attachment to this report. This very detailed appendix was what they desired in the protocol. We could not sign such a protocol without time to properly review it and they understood our position. I enclose it to show the depth of their feeling on the continuing exchange. The protocol we did agree on is also attached, along with the list of Water Purification problems that the Soviets are concerned with. We will attempt to adequately cover these when we host the Ministry of Ferrous Metallurgy in the United States this coming September.

It is apparent that we should share our technology on pollution control with the Soviet Union. Our pollution regulations are becoming very stringent and with this stringency there are substantial costs involved to improve the air and water emissions. Our steel industry has never been overly successful in competing with foreign steel manufacturers. It is axiomatic that pollution control will also increase the cost of their products and enable our industry a chance to better compete with some of the world markets.

As mentioned in a previous report, they are matching our courtesy and extend themselves to the extreme for the comforts of the delegation. Each Ministry is an independent body and other than for a few breakfasts and a miscellaneous lunch or dinner, we were hosted at every meal by our escorts or our hosts at an institute or steel mill. They insisted on paying the over-weight charges of two members of the delegation which came to almost \$160.00. This ministry also assigned three escorts to accompany us at all times. Typical of our other trips to the Soviet Union they put great stress on cultural tours of every city we visited. All of their statues primarily revolve around some facet of their communist/socialist form of government or their victory over Germany in World War II. Their apparent pride in their form of government comes through in a forceful manner. They seem to concentrate on selling this point with on our reciprocal tours in the United States, the benefits of our free enterprise system are readily apparent with no lecturing involved. Every U. S. delegate that has made a Soviet tour with us immediately comments on the consumer advantages in the United States. It is beyond comparison with their system.

On the subject of protocol, it is obvious now that each ministry wants a protocol or memorandum on all sections. It is imperative that we have a United States interpreter on the delegations in the future for this purpose as well as for overall assistance to the delegation members.

Attachment No. 1 - Report of Trip to USSR  
Attachment No. 2 - Appendix I  
Attachment No. 3 - Signed Protocol